

## Message Text

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70

ACTION ARA-20

INFO OCT-01 ISO-00 OPIC-12 INRE-00 NSCE-00 SSO-00 AEC-11

AID-20 CEA-02 CIAE-00 CIEP-03 COME-00 DODE-00 EB-11

FPC-01 H-03 INR-11 INT-08 L-03 NSAE-00 NSC-07 OMB-01

PM-07 RSC-01 SAM-01 SCI-06 SP-03 SS-20 STR-08 TRSE-00

FRB-03 FEA-02 PA-04 PRS-01 USIE-00 DRC-01 /171 W

----- 074553

O R 150220Z AUG 74 ZFF-4

FM AMEMBASSY QUITO

TO SECSTATE WASHDC NIACT IMMEDIATE 2131

INFO AMCONSUL GUAYAQUIL

C O N F I D E N T I A L QUITO 5381

E.O. 11652: GDS

TAGS: EC, EINV, ENGR

SUBJECT: PETROLEUM: ADA CASE

REF: STATE 178172

1. I AM PLEASED THAT LASSITER IS WILLING TO CONSIDER FACE-TO-FACE PRESENTATION OF ADA'S VIEWS AND CONCERNS IN QUITO. THIS IS THE INDISPENSABLE NEXT STEP. IT IS HIGHLY UNDESIRABLE TO DEPEND ON "FILTERS" IN COMMUNICATIONS WITH COMMISSION OR WITH PRESIDENT RODRIGUEZ LARA. (FYI. IT IS IN FACT POSSIBLE THAT ADA HAS PLACED UNDUE RELIANCE ON JARRIN AND ON JARRIN AND HIS ADVISERS AS INFORMATION "FILTERS." AS DEPARTMENT AWARE, CABEZAS AND ARAUZ HAVE STRONG LEFT WING INCLINATIONS AND CONNECTIONS. WE DO NOT DISMISS THE POSSIBILITY THAT SOME MINISTRY NATURAL RESOURCES OFFICIALS WOULD FOR THEIR OWN POLITICAL MOTIVES LIKE TO SEE PRESIDENTIAL DECISION TO COMPENSATE ADA COME TO A BAD END.)

2. AS SCENARIO, I RECOMMEND THAT ADA PRINCIPALS OR LOCAL REP PROMPTLY AND FORMALLY REQUEST AN URGENT MEETING  
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OF THE COMMISSION WITH ADA NEGOTIATOR(S). IF THIS REQUEST

IS NOT GRANTED WITHIN A REASONABLY SHORT INTERVAL, I WILL DIRECTLY SUPPORT THE REQUEST AT THE APPROPRIATE LEVEL INCLUDING THE HIGHEST. IT IS IMPORTANT, HOWEVER, THAT THE REQUEST FOR THE MEETING COME FROM ADA: THE USG SHOULD NOT APPEAR IN THE FIRST INSTANCE TO BE TAKING A LEADING AND WHAT COULD BE PERCEIVED AS AN INTERVENTIONIST ROLE BEFORE THE TWO SIDES HAVE ENTERED INTO SERIOUS TALKS IN THE COMMISSION FORUM.

3. I QUESTION THE WISDOM OF SEEKING INDIVIDUAL APPOINTMENTS WITH MEMBERS PRIOR TO THE MEETING WITH THE COMMISSION. AMONG OTHER THINGS, IT COULD RAISE UNNECESSARY SUSPICIONS AMONG THE MEMBERS. ADA SHOULD EVALUATE DESIRABILITY AND NEED FOR INDIVIDUAL MEETINGS WITH MEMBERS AND/OR POSSIBLY WITH PRESIDENT RODRIGUEZ LARA AFTER MEETING OR MEETINGS WITH COMMISSION. WE WILL ADVISE AND ASSIST ADA IN THIS MATTER AS APPROPRIATE.

4. PLEASE INFORM ADA REACTION AND THE NAMES OF NEGOTIATOR(S). REQUEST THEY CONTACT EMBASSY AFTER ARRIVAL IN QUITO. BREWSTER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, NATURAL GAS, NATIONALIZATION, COMPENSATION, PETROLEUM CONCESSIONS, FOREIGN INVESTMENTS, COMMITTEES, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CollinP0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974QUITO05381  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 178172  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 13 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <13 SEP 2002 by cunninfx>; APPROVED <25 FEB 2003 by CollinP0>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PETROLEUM: ADA CASE  
**TAGS:** EINV, ENRG, EC, US, ADA, (LASSITER)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005